GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:41
ANSWERED ON:15.11.2007
CUT IN LPG PROUCTION BY RELIANCE INDUSTRIES LTD.
Chandrappan Shri C.K.;Das Gupta Shri Gurudas

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Reliance Industries Ltd. (RIL) is expected to cut LPG production at its Jamnagar refinery from mid-2008 following the grant of Export-Oriented Unit (EOU) status to the refinery;

(b) if so, the expected shortage of LPG in the country thereby and the steps being taken to maintain the availability of LPG for domestic use in the country; and

(c) the reasons for granting EOU status RIL's refinery when the country is facing shortage of LPG?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): Reliance Industries Limited (RIL) has informed that following the grant of EOU status to their existing refinery at Jamnagar, there is a plan to reduce LPG production to around 1.6 MMTPA from mid-2008. The deficit between demand and indigenous production of LPG is met through regular imports being done by the Public Sector Oil Marketing Companies (OMCs). Further, with the delicensing of the refinery sector since June 1998, capacity addition is being planned in the country, both by the public and private sector companies by the end of XIth Plan to meet the demand for petroleum products, including LPG.

(c) Even though the RIL has been granted EOU status, any export of LPG has to be with the approval of the Government of India.